



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-122]

Certain Corrosion Inhibitors from the People's Republic of China: Preliminary Results and Partial Rescission of the Antidumping Duty Administrative Review; 2020-2022

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily determines that certain producers and/or exporters made sales of certain corrosion inhibitors (corrosion inhibitors) at less than normal value during the period of review (POR) September 10, 2020, through February 28, 2022. Additionally, Commerce is rescinding this review with respect to Dandee Hong Kong Holdings Ltd., CAC Shanghai Chemical Co., Ltd., Jiangsu Bohan Industry Trade Co., Ltd., Jiangsu Yangnong Chemical Group Co., Ltd., Jiangyin Gold Fuda Chemical Co., Ltd., Nanjing Innochem Co., Ltd., and Xingji Xi Chen Re Neng Co., Ltd. Interested parties are invited to comment on these preliminary results of review.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Hermes Pinilla and Dusten Hom, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3477, and (202) 482-5075, respectively.

SUPPLEMENTARY INFORMATION:

Background

On March 19, 2021, Commerce published in the *Federal Register* the antidumping duty (AD) order on certain corrosion inhibitors from the People's Republic of China (China).¹ On

¹ See *Certain Corrosion Inhibitors from the People's Republic of China: Antidumping Duty Order*, 86 FR 14869 (March 19, 2021) (*Order*).

March 3, 2022, Commerce published in the *Federal Register* a notice of opportunity to request an administrative review of the *Order*.² On May 13, 2022, based on timely requests for an administrative review, Commerce initiated the administrative review of the *Order*.³ The administrative review covers 34 companies, including two mandatory respondents, Anhui Trust Chem Co., Ltd., and Nantong Botao Chemical Co., Ltd.⁴ Further, we have preliminarily collapsed Anhui Trust Chem Co., Ltd., and its affiliates, Jiangsu Trust Chem Co., Ltd., Nanjing Trust Chem Co., Ltd.⁵

On October 27, 2022, Commerce extended the deadline for these preliminary results to March 31, 2023.⁶ For a complete description of the events that followed the initiation of this administrative review, *see* the Preliminary Decision Memorandum.⁷

Scope of the *Order*

The products covered by this *Order* are certain corrosion inhibitors from China. A full description of the scope of the *Order* is contained in the Preliminary Decision Memorandum.⁸

Rescission of Review, in Part

Pursuant to 19 CFR 351.213(d)(1), Commerce will rescind an administrative review, in whole or in part, if the party that requested a review withdraws its request within 90 days of the date of publication of the notice of initiation. The requests for an administrative review of the seven companies listed in Appendix II to this notice were withdrawn within 90 days of the date

² *See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 87 FR 12086 (March 3, 2022).

³ *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 87 FR 29280, 29282 (May 13, 2022) (*Initiation Notice*).

⁴ *See* Memoranda, “Antidumping Duty Administrative Review of Certain Corrosion Inhibitors from the People’s Republic of China: Respondent Selection,” dated June 21, 2022.

⁵ *See* Memorandum, “Administrative Review of the Antidumping Duty Order on Certain Corrosion Inhibitors from the People’s Republic of China: Preliminary Affiliation and Collapsing Memorandum for Anhui Trust Chem Co., Ltd., and Nanjing Trust Chem Co., Ltd., and Jiangsu Chem Co., Ltd.

⁶ *See* Memorandum, “Certain Corrosion Inhibitors from the People’s Republic of China: Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review; 2020-2022,” dated October 27, 2022.

⁷ *See* Memorandum, “Decision Memorandum for Preliminary Results of the 2020-2022 Antidumping Duty Administrative Review of Certain Corrosion Inhibitors from the People’s Republic of China,” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁸ *Id.*

of publication of the *Initiation Notice*.⁹ As a result, Commerce is rescinding this review with respect to these companies, in accordance with 19 CFR 351.213(d)(1).

Separate Rates

Commerce preliminarily determines that three companies, not individually examined, are eligible for separate rates in this administrative review.¹⁰ The Tariff Act of 1930, as amended (the Act) and Commerce's regulations do not address the establishment of a separate rate to be applied to companies not selected for individual examination when Commerce limits its examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in an investigation, for guidance when calculating the rate for separate-rate respondents which Commerce did not examine individually in an administrative review. Section 735(c)(5)(A) of the Act states that the all-others rate should be calculated by averaging the weighted-average dumping margins calculated for individually-examined respondents, excluding dumping margins that are zero, de minimis, or based entirely on facts available. For the preliminary results of this review, Commerce determined the estimated dumping margins for Anhui Trust Chem Co., Ltd., and affiliates, and Nantong Botao Chemical Co., Ltd to be 6.12, and 14.66 percent, respectively. For the reasons explained in the Preliminary Decision Memorandum, we are assigning the 9.95 percent rate to the three non-examined respondents, Gold Chemical Limited (Gold Chemical); Jiangyin Delian Chemical Co., Ltd. (Delian); Kanghua Chemical Co., Ltd. (formerly known as Nantong Kanghua Chemical Co.,Ltd.) (Chuzhou Kanghua),¹¹ which qualify for a separate rate in this review, consistent with Commerce's practice and section 735(c)(5)(A) of the Act.

China-Wide Entity

⁹ See Wincom Inc.'s (Wincom) Letters, "Partial Withdrawal of Request for Administrative Review" dated July 6, 2022, and "Second Partial Withdrawal of Request for Administrative Review," dated August 1, 2022.

¹⁰ See Appendix II; see also Preliminary Decision Memorandum at the "Separate Rate Determination" section for more details.

¹¹ See *Certain Corrosion Inhibitors from the People's Republic of China: Notice of Final Results of Antidumping Duty Changed Circumstances Review*, 88 FR 1356 (January 10, 2023).

Commerce's policy regarding the conditional review of the China-wide entity applies to this administrative review.¹² Under this policy, the China-wide entity will not be under review unless a party specifically requests, or Commerce self-initiates, a review of the entity. Because no party requested a review of the China-wide entity in this review, the entity is not under review, and the entity's assessment rate (*i.e.*, 241.02 percent) is not subject to change.¹³ For the reasons explained in the Preliminary Decision Memorandum, Commerce considers all other companies for which a review was requested (none of which filed a separate rate application) listed in Appendix II to this notice, to be part of the China-wide entity.¹⁴

Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(B) of the Act. For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. A list of topics discussed in the Preliminary Decision Memorandum is included as an appendix to this notice. In addition, a complete version of the Preliminary Decision Memorandum can be found at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Preliminary Results of the Administrative Review

Commerce preliminarily determines that the following weighted-average dumping margins exist for the administrative review covering the period September 10, 2020, through February 28, 2022:

¹² *See Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Duty Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings*, 78 FR 65963 (November 4, 2013).

¹³ *See Order*.

¹⁴ *See Initiation Notice* ("All firms listed below that wish to qualify for separate rate status in the administrative reviews involving NME countries must complete, as appropriate, either a separate rate application or certification, as described below."); *see also* Appendix II for the list of companies that are subject to this administrative review that are considered to be part of the China-wide entity.

Exporter	Weighted-Average Dumping Margin (percent)
Anhui Trust Chem Co., Ltd.	6.12
Nantong Botao Chemical Co., Ltd.	14.66
Non-Selected Companies under Review Receiving a Separate Rate ¹⁵	9.95

Disclosure

Commerce intends to disclose to parties to the proceeding the calculations performed for these preliminary results of review within five days of the date of publication of this notice in the *Federal Register*, in accordance with 19 CFR 351.224(b).

Public Comment

Pursuant to 19 CFR 351.309(c), interested parties may submit case briefs no later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than seven days after the date for filing case briefs.¹⁶ Pursuant to 19 CFR 351.309(d)(2), rebuttal briefs must be limited to issues raised in the case briefs.¹⁷ Commerce modified certain of its requirements for serving documents containing business proprietary information until further notice.¹⁸ Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.¹⁹

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant

¹⁵ Gold Chemical; Delian; and Chuzhou Kanghua.

¹⁶ See 19 CFR 351.309(d); *see also* *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19*, 85 FR 17006, 17007 (March 26, 2020) (“To provide adequate time for release of case briefs via ACCESS, E&C intends to schedule the due date for all rebuttal briefs to be 7 days after case briefs are filed (while these modifications remain in effect).”).

¹⁷ See 19 CFR 351.309; *see also* 19 CFR 351.303 (for general filing requirements).

¹⁸ See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

¹⁹ See 19 CFR 351.309(c)(2) and (d)(2); *see also* 19 CFR 351.303 (for general filing requirements).

Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the publication of this notice. Requests should contain the party's name, address, telephone number, the number of participants, whether any participant is a foreign national, and a list of the issues to be discussed. If a request for a hearing is made, Commerce will announce the date and time of the hearing.

Unless the deadline is extended, Commerce intends to issue the final results of this review, including the results of its analysis of the issues raised in any written briefs, no later than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h).

Assessment Rates

Upon issuing the final results, Commerce will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review.²⁰ If the preliminary results are unchanged for the final results, we will instruct CBP to apply an *ad valorem* assessment rate of 241.02 percent to all entries of subject merchandise during the POR which were exported by the companies considered to be a part of the China-wide entity listed in Appendix II of this notice. If Commerce determines that an exporter under review had no shipments of the subject merchandise, any suspended entries that entered under that exporter's case number (*i.e.*, at that exporter's rate) will be liquidated at the China-wide rate.²¹

Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

For each individually examined respondent in this review whose weighted-average

²⁰ See 19 CFR 351.212(b)(1).

²¹ See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694, 65695 (October 24, 2011).

dumping margin in the final results of review is not zero or *de minimis* (i.e., less than 0.5 percent), Commerce intends to calculate importer/customer-specific assessment rates.²² Where the respondent reported reliable entered values, Commerce intends to calculate importer/customer-specific *ad valorem* assessment rates by aggregating the amount of dumping calculated for all U.S. sales to the importer/customer and dividing this amount by the total entered value of the merchandise sold to the importer/customer.²³ Where the respondent did not report entered values, Commerce will calculate importer/customer-specific assessment rates by dividing the amount of dumping for reviewed sales to the importer/customer by the total quantity of those sales. Commerce will calculate an estimated *ad valorem* importer/customer-specific assessment rate to determine whether the per-unit assessment rate is *de minimis*; however, Commerce will use the per-unit assessment rate where entered values were not reported.²⁴ Where an importer/customer-specific *ad valorem* assessment rate is not zero or *de minimis*, Commerce will instruct CBP to collect the appropriate duties at the time of liquidation. Where either the respondent's weighted average dumping margin is zero or *de minimis*, or an importer/customer-specific *ad valorem* assessment rate is zero or *de minimis*, Commerce will instruct CBP to liquidate appropriate entries without regard to antidumping duties.²⁵

For the respondents that were not selected for individual examination in this administrative review, but which qualified for a separate rate, the assessment rate will be based on the weighted-average dumping margin(s) assigned to the respondent(s) selected for individual examination, as appropriate, in the final results of this review.²⁶

²² See *Antidumping Proceedings: Calculation of the Weighted Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101 (February 14, 2012) (*Final Modification*).

²³ See 19 CFR 351.212(b)(1).

²⁴ *Id.*

²⁵ See *Final Modification*, 77 FR at 8103.

²⁶ See *Drawn Stainless Steel Sinks from the People's Republic of China: Preliminary Results of the Antidumping Duty Administrative Review and Preliminary Determination of No Shipments: 2014-2015*, 81 FR 29528 (May 12, 2016), and accompanying Issues and Decision Memorandum at 10-11, unchanged in *Drawn Stainless Steel Sinks from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; Final Determination of No Shipments: 2014-2015*, 81 FR 54042 (August 15, 2016).

In accordance with section 751(a)(2)(C) of the Act, the final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated antidumping duties, where applicable.

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this review for shipments of the subject merchandise from China entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) for the subject merchandise exported by the company listed above that has a separate rate, the cash deposit rate will be equal to the weighted-average dumping margin established in the final results of this administrative review (except, if the rate is zero or *de minimis*, then zero cash deposit will be required); (2) for previously investigated or reviewed Chinese and non-Chinese exporters not listed above that received a separate rate in a prior segment of this proceeding, the cash deposit rate will continue to be the existing exporter-specific rate; (3) for all Chinese exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be that for the China-wide entity; and (4) for all non-Chinese exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the Chinese exporter that supplied that non-Chinese exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during these PORs. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping/and or countervailing duties occurred and the subsequent assessment of double antidumping duties,

and/or an increase in the amount of antidumping duties by the amount of the countervailing duties.

Notification to Interested Parties

Commerce is issuing and publishing the preliminary results of this review in accordance with sections 751(a)(1)(B), 751(a)(3) and 777(i) of the Act, and 19 CFR 351.213(d)(4) and 351.221(b)(4).

Dated: March 31, 2023.

Abdelali Elouaradia,
Deputy Assistant Secretary
for Enforcement and Compliance.

Appendix I

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Period of Review
- IV. Scope of the Order
- V. Partial Rescission of Administrative Review
- VI. Single Entity Treatment
- VII. Discussions of the Methodology
- VIII. Adjustment Under Section 777A(f) of the Act
- IX. Currency Conversion
- X. Recommendation

Appendix II

Companies Subject to Rescission of Review:

1. CAC Shanghai Chemical Co., Ltd.
2. Dandee Holdings Ltd. (Hk).
3. Jiangsu Bohan Industry Trade Co., Ltd.
4. Jiangsu Yangnong Chemical Group Co., Ltd
5. Jiangyin Gold Fuda Chemical Co., Ltd
6. Nanjing Innochem Co., Ltd.
7. Xingji Xi Chen Re Neng Co., Ltd

Companies Considered to be part of the China-Wide Entity:

1. Alvarez Schaer S.A.
2. Bollore Logistics Le Havre
3. Dalsem Greenhouse Technology B.V.
4. Gooyer International Co., Ltd. (Hk).
5. Haruno Sangyo Kaisha Ltd.
6. Johoku Chemical Co., Ltd
7. K. Uttamlal Exports Private Limited
8. Nanjing Hengrun Hogsu Import & Export Company
9. Nantong Bestime Chemical Co., Ltd.
10. Sagar Speciality Chemicals Pvt., Ltd
11. Sinochem Pharmaceutical Co., Ltd.
12. Solenis Especialidades Quimicas Ltda
13. Techwell Technology Holding Limited
14. Tianjin Jinbin International Trade
15. Vcare Medicines
16. Wuxi Base International Trade Co., Ltd
17. Wuxi Connect Chemicals Co., Ltd
18. Yasho Industries Pvt. Ltd
19. Zaozhuang Kerui Chemicals Co., Ltd
20. Nanjing Singchem Co., Ltd.